District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Printed Name/Title_

State of New Mexico **Energy Minerals and Natural Resources**

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.

Form C-144

June 1, 2004

For downstream facilities, submit to Santa Fe

Pit or Below-Grade Tank Registration or Closure Is pit or below-grade tank covered by a "general plan"? Yes X No Type of action: Registration of a pit or below-grade tank \(\subseteq\) Closure of a pit or below-grade tank \(X\) OCT 18 2007 e-mail address: _cmorgan@sdxresources.com perator: SDX Resources, Inc. Telephone: 432/685-1761 Address: PO Box 5061, Midland, TX 79704 **OCD-ARTESIA** API #: __30-015-35545 ____U/L or Qtr/Qtr__G___Sec__29__T_17S__R_28E_ 'acility or well name: __Williams B Federal #5___ 1980' FNL 2230' FEL____Longitude_ NAD: 1927 🗌 1983 🔲 Surface Owner Federal X State 🔲 Private 🔲 Indian 🔲 <u>'it</u> Below-grade tank 'ype: Drilling X Production Disposal Volume: bbl Type of fluid: Workover ☐ Emergency ☐ Construction material: Double-walled, with leak detection? Yes If not, explain why not. ined X Unlined iner type: Synthetic X Thickness 12 mil Clay 'it Volume 8000 bbl Less than 50 feet (20 points))epth to ground water (vertical distance from bottom of pit to seasonal high (10 points) 10 50 feet or more, but less than 100 feet vater elevation of ground water.) 100 feet or more (0 points) Yes (20 points) Vellhead protection area: (Less than 200 feet from a private domestic (0 points) 0 No vater source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) rigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) 0 10 **Ranking Score (Total Points)** If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite X offsite \(\square\) If offsite, name of facility . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No X Yes

If yes, show depth below ground surface ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations. Additional Comments: Mixed pit contents with earthen material. Dug & lined an encapsulation pit (within the existing reserve area) with a 12 mil synthetic liner. Placed mixed contents in encapsulation pit. Capped with 20 mil synthetic liner & covered entire area with 3' clean top soil. Pictures & analysis attached. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit 🔲, or an (attached) alternative OCD-approved plan 🗔. Date: 10/17/07 Signature Printed Name/Title_Bonnie Atwater, Regulatory Tech_ Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations. Gerry Guye Approval: Compliance Officer

Signature



PHONE (505) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR MORGAN TOOL CO. LLC ATTN: STEPHEN WILSON 1908 SOUTH 1ST ARTESIA, NM 88210 FAX TO: (505) 748-8761

Receiving Date: 09/28/07 Reporting Date: 10/01/07 Project Number: B #5

Project Name: WILLIAMS B FED. #5
Project Location: SEC 29-T17S-R28E

Analysis Date: 09/28/07 Sampling Date: 09/28/07 Sample Type: SOIL

Sample Condition: INTACT Sample Received By: KS

Analyzed By: AB

CI LAB NUMBER SAMPLE ID (mg/Kg) H13402-1 1 NE 2 SE 80 H13402-2 H13402-3 3 M 80 H13402-4 4 NW 64 H13402-5 5 SW 64 6 BACKGROUND H13402-6 < 16 **Quality Control** 490 True Value QC 500 % Recovery 98.0 Relative Percent Difference 2.0

METHOD: Standard Methods 4500-CI'B

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chamiet

Date

ARDINAL LABORATORIES, INC.
2111 Beechwood, Abilene, TX 79503 101 East Marland, Hobbs, NM 88240 10151 673-7001 Eav (015) 873-7000 (EAS) 900 9006 Eaw (EAS) 907-2176

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† Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.

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